



James B. Wright
Senior Attorney

21
NCWKFR0313
14111 Capital Boulevard
Wake Forest, NC 27587-5900
Voice 919 554 7587
Fax 919 554 7913
james.b.wright@mail.sprint.com

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February 11, 2003
TN REGULATORY AUTHORITY
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Chairman Sara Kyle
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

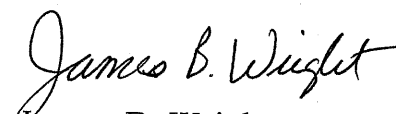
RE: *Docket No. 02-00438; Complaint of Aeneas against Citizens*
Sprint Prefiled Rebuttal Testimony

Dear Chairman Kyle:

Enclosed for filing in the above case are the original and thirteen copies of the prefiled rebuttal testimony of James Michael Maples on behalf of United Telephone-Southeast, Inc. and Sprint Communications Company L.P. A copy of the testimony is being served on counsel of record.

Please contact me if you have any questions.

Sincerely,


James B. Wright

Enclosures

cc: Jon Wike (w/encl)
Counsel of Record (w/encl)
Laura Sykora
Kaye Odum

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SARA KYLE, COMMISSIONER
TN PUBLIC SERVICE COMM.

CERTIFICATE OF SERVICE
Aeneas Complaint (Docket No. 02-00438)

The undersigned certifies that a copy of the prefiled rebuttal testimony on behalf of Sprint was served upon the following parties of record by hand-delivery, by fax or by placing a copy of the same in the United States Mail postage prepaid and addressed as follows:

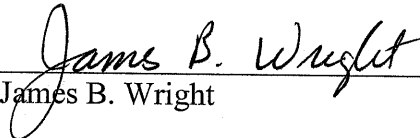
Jonathan Harlan
Aeneas Communications, LLC
301 South Church St.
Jackson, TN 38031

Henry Walker
Boult, Cummings, Conners & Berry PLC
P.O. Box 198062
414 Union Street, Suite 1600
Nashville, Tennessee 37219

Guilford F. Thornton, Jr.
Charles W. Cook III
Stokes Bartholomew Evans & Petree, PA
424 Church Street, Suite 2800
Nashville, TN 37219

Donald L. Scholes
Branstetter, Kilgore, Stranch & Jennings
227 Second Avenue North
Nashville, TN 37201-1631

Dated: February 11, 2003



James B. Wright

**UNITED TELEPHONE-SOUTHEAST, INC.
AND SPRINT COMMUNICATIONS COMPANY L.P.**

**REBUTTAL TESTIMONY
OF
JAMES MICHAEL MAPLES**

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Docket No. 02-00438

1
2 **Q. Please state your name, title, and business address.**

3
4 A. My name is James Michael Maples. I am presently employed as Senior Manager -
5 Regulatory Policy for Sprint Corporation ("Sprint"). My business address is 6450 Sprint
6 Parkway, Overland Park, Kansas 66251.

7
8 **Q. Are you the same James Michael Maples who filed direct testimony on February 4,**
9 **2003 in this docket?**

10
11 A. Yes.

12
13 **Q. What is the purpose of your testimony?**

14
15 A. I will respond to the testimony of witness Robert M. Jeffrey filed on behalf of Citizens in
16 this proceeding.

17

1 **Q. Do you agree with Mr. Jeffrey that carriers such as Citizens have no obligation to pay**
2 **for facilities outside of their network to interconnect with competitors who choose to**
3 **locate themselves entirely outside of Citizen's network?**
4

5 A. No, I do not.
6

7 **Q. What is your basis for that position?**
8

9 A. Section 251(b)(5) of the Telecommunications Act of 1996 (Act) requires carriers to establish
10 reciprocal compensation arrangements for the transport and termination of
11 telecommunications in which the originating carrier pays the terminating carrier for the use
12 of the terminating carrier's facilities to complete a customer's call. The Federal
13 Communications Commission (FCC) defined the transport element as the transmission and
14 any necessary tandem switching from the interconnection point between the two carriers to
15 the terminating carrier's end office switch that directly serves the called party. This
16 definition does not require that the connecting carriers own or deploy facilities within each
17 other's territories. Also, my direct testimony in this proceeding made clear that intermediate
18 facilities provided by a third-party may be used to transport traffic between the two end
19 carrier networks. Whether an originating carrier's interconnection arrangement uses a single
20 terminating carrier's facilities or must also use a third-party's facilities for transit services, it
21 is in fact highly likely that the originating carrier will use transport facilities outside of its
22 network to complete its customers' calls. Regardless of this fact, the originating carrier's
23 obligation to pay reciprocal compensation to the carrier(s) providing transport and
24 termination services remains unaffected under §251(b)(5).
25

26 **Q. Is reciprocal compensation applicable to indirect interconnection arrangements?**

1
2 A. Yes. In the FCC's First Report and Order in CC Docket No. 96-98 at ¶176, the FCC clearly
3 separated a telecommunications carriers' interconnection obligation from establishing
4 reciprocal compensation arrangements. Under section 251(a) of the Act all
5 telecommunications carriers have an obligation to interconnect directly or indirectly. ILECs
6 have the additional obligation under section 251(c) of the Act to allow direct connection at
7 any technically feasible point within their network. These interconnections are for the
8 transmission and routing of a variety of traffic types, including Internet Service Provider
9 (ISP) traffic, each with associated compensation obligations. Reciprocal compensation is
10 one of those forms of compensation.

11
12 **Q. Is reciprocal compensation applicable to ISP traffic?**

13
14 A. There are situations where reciprocal compensation arrangements should be established for
15 ISP traffic.

16
17 **Q. Please explain.**

18
19 A. The FCC established the compensation mechanism for ISP traffic exchange in CC Docket
20 No. 99-68 in an order released on April 27, 2001 (ISP Intercarrier Compensation Order). In
21 that docket, the FCC categorized ISP traffic as information access and adopted a specific
22 compensation mechanism. The FCC tied compensation for ISP traffic to
23 telecommunications subject to reciprocal compensation by requiring ILECs to offer
24 reciprocal compensation for ISP traffic if they did not opt into the FCC's ISP traffic
25 compensation plan. Further, Sprint believes that the adoption of unique rates, the tie to

1 reciprocal compensation, and the long-standing exemption of enhanced services from paying
2 access charges clearly supports Sprint's position that any compensation for the transport
3 facility between the originating and terminating carriers should be priced at Total Element
4 Long Run Incremental Costs (TELRIC).

5
6 **Q. Is traffic over EAS routes subject to reciprocal compensation arrangements?**

7
8 A. Sprint believes that telecommunications traversing mandatory EAS routes either wholly
9 within a single carrier's network or between multiple carriers' networks is local traffic and
10 subject to reciprocal compensation. This is consistent with the way EAS has been treated
11 historically within the industry in costing and pricing. The FCC found that with the
12 exception of traffic to or from a CMRS network state commissions have the authority to
13 determine what geographic areas should be considered "local areas" for the purposes of
14 applying reciprocal compensation obligations. See First Report and Order in CC Docket
15 No. 96-98 at ¶1035. There is no basis for limiting EAS to routes wholly within a single
16 carrier's network. Doing so would violate the obligation for ILECs to provide
17 interconnection that is on rates, terms, and conditions that are just, reasonable, and non-
18 discriminatory.

19
20 **Q. What impact does that position have on the issues presented in this proceeding?**

21
22 A. In the case presented by the parties' direct testimonies, the use of EAS trunks to complete
23 Aeneas' traffic seemingly necessitates using BellSouth's Greenfield end office switch as a
24 tandem switch. As I stated in my direct testimony, end offices do not have the necessary
25 software and equipment installed to provide tandem, trunk to trunk, functionality.

1 Therefore, converting an end office to a tandem generates costs that must be recovered by
2 the ILEC providing the transit capability. Sprint believes that alternative solutions can be
3 used.

4
5 **Q. Is the use of alternative routing, such as toll trunks, a viable alternative for establishing**
6 **indirect interconnection arrangements?**

7
8 A. Yes. As I stated in my direct testimony, indirect interconnection arrangements should be
9 used when volumes of traffic are small. Such small volumes of traffic should not stress the
10 existing arrangements or create the blocking situations mentioned in Mr. Jeffrey's direct
11 testimony since they would be moved to direct connections prior to that occurring. Use of
12 these existing routes also allows the traffic to flow without requiring carriers to incur the
13 cost of converting end offices to tandems. While billing for this traffic may be challenging,
14 billing complications are not one of the recognized reasons used to declare a form of
15 interconnection technically infeasible. The carriers should be able to negotiate an acceptable
16 solution. And, the impact is minimal since indirect interconnection is used when volumes of
17 traffic are small.

18
19 **Q. What is the appropriate process for establishing interconnection and compensation**
20 **arrangements between carriers?**

21
22 A. The most desirable means is through the negotiation of interconnection agreements.
23 Complaint proceedings such as this one should be a last resort. Interconnection
24 arrangements are likely to be unique to the interconnecting carriers involved, meaning the
25 carriers' agreements may vary as far as specific compensations, terms and conditions.
26 Citizens and Sprint may have different interconnection arrangements and agreements than

1 Aeneas and Citizens, even where Sprint and Aeneas offer similar services in the same area.
2 Citizens and Sprint's wireless entity will have different interconnection arrangements and
3 agreements yet again. Of note here is the fact that traffic between ILECs and CMRS carriers
4 within a Major Trading Area (MTA) are subject to reciprocal compensation whereas the
5 rules differ for other types of carriers.
6

7 **Q. Should the Tennessee Regulatory Authority adopt the conclusion reached by the New**
8 **York Public Service Commission in Case 00-C-0789 as recommended by Mr. Jeffrey's**
9 **direct testimony?**
10

11 **A.** No. The FCC established compensation for ISP traffic in the ISP Compensation Order on
12 April 27, 2001 -- five (5) months after the New York Order was issued. While the D.C.
13 Circuit Court of Appeals has remanded the FCC's decision, the court did not vacate the
14 decision. Accordingly, it remains effective and supercedes the New York order.
15

16 **Q. Does this conclude your testimony?**
17

18 **A.** Yes, it does.
19